GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Housing Department - NTR Housing for the year 2016-17 - Loan from HUDCO to meet the balance requirement of funds over and above the budget allocations -Permission Accorded.

HOUSING (R&UH.A1) DEPARTMENT

G.O.MS.No. 4 **Dated: 27-03-2016**

Read the following:-

1. G.O.Ms.No.125 , Housing (R&UH.A1) Department, dt.22.08.2015.
2. From the MD., APSHCL, Lr.No.1052/AM(F)/Fin/APSHCL/2016, dt.15.3.16

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O R D E R:-

In the reference 1st read above, Government while enhancing the unit cost of the houses to Rs. 2,75,000/- accorded permission to the Managing Director, A.P. State Housing Corporation Ltd for construction of 2.00 lakh houses in rural areas under NTR Housing Programme in the State. The details of the houses and project cost of above houses are as detailed below:-

Details of enhanced unit cost:-

Category	Subsidy	Loan	Total
For SC/STs	1,75,000	1,00,000	2,75,000
For others	1,25,000	1,50,000	2,75,000

i. Enhancing the unit cost from Rs.70,000/- to Rs. 2,75,000/- for Others.
ii. Enhancing the unit cost from Rs. 1,00,000/- to Rs. 2,75,000/- for SCs.
iii. Enhancing the unit cost from Rs. 1,05,000/- to Rs. 2,75,000/-for STs.

Details of project cost :-

No of Houses sanctioned : 2,00,000

Unit cost of the house : Rs. 2,75,000/-
ISL amount provided : Rs. 15,000/-
Total Project cost of Houses : Rs. 5800.00 crores

2. In the reference 2nd read above, the Managing Director, A.P. State Housing Corporation Ltd has reported that, the Hon'ble Finance Minister in the budget speech has specifically mentioned "The Government is intending to resort to extra-budgetary resource mobilization by the Housing Corporation in partnership with the Central Government and housing and infrastructure financial institutions, as per the approved financial pattern of both rural & urban schemes". As per the discussions held with the Chief Secretary to Government, Andhra Pradesh, the Chairman & Managing Director, HUDCO, M/s HUDCO has communicated their willing for extending the financial assistance for EWS housing projects and mentioned the main terms as detailed below:-

- Extent of Finance: HUDCO can extend upto 90% of the project cost.
- Rate of Interest : The rate of interest for the beneficiaries of EWS projects for SC/ST/OBC, widow, physically handicapped, single women above 35 years and natural calamity effected area is 8.65% fixed / 8.75% floating. For others ROI is 8.90% fixed / 9.00% floating.
- The loan repayment period can be up to 15 to 20 years depending upon the project.
- No processing Fee & Front Fee for EWS schemes.

(P.T.O)

3. The Managing Director, A.P. State Housing Corporation Ltd has accordingly requested the Government to consider to obtain loan amount of Rs.5241.25 crores as term loan from HUDCO to meet the balance requirement of funds for completion of 2.00 lakh houses under NTR Rural Housing over and above the budget allocation for the year 2016-17.

4. Government after careful consideration of the circumstances stated by the Managing Director, A.P. State Housing Corporation Ltd hereby permitted to raise a loan of Rs.2,900 Crores without Government guarantee subject to the terms and conditions to be negotiated with HUDCO, which could include inter alia:

a) Its preferable to take loan with a fixed interest rate of 8.65% for a tenure of 20 years with a three year deferment for inception of repayment
b) There shall be no commitment charges or penal interest for late payment of less than 30 days
c) The interest shall be charged only on the amount drawn from HUDCO and from the day it is transferred to the Housing Corporation account
d) The Housing Corporation will not draw the loan amount until the amount provided by Government of India and Government of Andhra Pradesh are fully exhausted.

5. This order issues with the concurrence of Finance Department , dt. 26.03.2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

LAV AGARWAL
SECRETARY TO GOVERNMENT

To
The Commissioner, Weaker Sections Housing Programme, Hyderabad
The Managing Director, A.P. State Housing Corporation Limited, Hyderabad.
Copy to:
The Accountant General, A.P., Hyderabad.
The Pay and Accounts Officer, A.P., Hyderabad.
The Director of Treasures & Accounts., Hyderabad.
The Commissioner, Information & Public Relations, Hyderabad.
The Finance Department.
The Finance (DCM) Department.
The PS to Secretary to Government, (Finance)
The PS to Spl.Secretary to CM.
The OSD to Minister (Housing).
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER